

# European Railway Agency

## Annual Report 2007



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## List of acronyms A - I

AASC	Assembly of Agency Staff Committee
AEIF	European Association for Railway Interoperability
Arsenal	Private Company – Austrian Research Centre
Attica (Consulting)	Private Company
BP	Basic Parameter
CER	Community of European Railway and Infrastructure Companies
Cetren (Notified Body)	Private Company
CR ENE TSI	Conventional Rail System Energy, Technical Specification for Interoperability
CR TSI	Conventional Rail, Technical Specification for Interoperability
CSIs	Common Safety Indicators
CSMs	Common Safety Methods
CSTs	Common Safety Targets
DER-Committee	Developing European Railways-Committee
DG TREN	Directorate General - Transport
DREAM	Database for railway economic analysis management
EBC (Notified Body)	Eisenbahn Cert. (Railway Certification)
EcoEval	Economic Evaluation
EIM	European Rail Infrastructure Managers
ERP	Enterprise Resource Planning
ERTMS	European Rail Traffic Management System
ERTMS CCB	European Rail Traffic Management System Change Control Board
ESG	Economic Survey Group
ESO	European Standardisation Bodies
ETCS	European Train Control System
EU	European Union
Eurostat	European Statistics Office
HR	Human Resources
ICS	Internal Control Standards
IDB	Interoperability Documents Database

## List of acronyms K - Z

IT	Information Technology
<b>KEMA (Notified Body)</b>	Private Company
MSP	Monitoring of Safety Performance
MSs	Member States
NB	Notified Body
<b>NB(-)Rail</b>	European Committee Group : coordination Group between Notified Bodies Rail
NIBs	National Investigation Bodies
NRVs	National Reference Values
NSAs	National Safety Authorities
NVR	National Vehicle Register
OSJD	Organisation for Railway Cooperation
OTIF	Organisation for International Carriage per Rail
RAILPAG	Railway Project Appraisal Guidelines
RFU	Recommendation for Use
RIC	Regulamento Internazionale Carozze
<b>RINA (Notified Body)</b>	Private Company
RRS	Register of Rolling Stock
RST	Rolling Stock
<b>SafeCert</b>	Safety Certification and Authorisation
<b>SAP software</b>	Systems Applications and Products
SLA	Service Level Agreement
SRS	System Requirements Specification
TEN2006	Trans European Network 2006
TSI	Technical Specifications for Interoperability
TSI CCS	Technical Specifications for Interoperability Control Command Signalling
UITP	International Association for Public Transport
UNIFE	Union of European Railway Industries
WP	Working Party
WP LOC	Working Party Locomotives
WP PAS	Working Party Passengers

## Part A – The Agency in 2007




## Foreword by the Chairman of the Administrative Board

In 2007 it was my pleasure to take over Chairmanship of the Administrative Board from my predecessor Mr Reino Lampinen. Under his stewardship the Agency has matured into one of the essential actors at the heart of the European Railway arena and the continuing demand from the sector actors and opinion formers for the Agency to assume new roles gives me confidence both in the quality of its current output and its future role. It is particularly encouraging to also note that the delivery of the required outputs in 2007 has been matched by an increasing maturity and strength of administration and internal control.

This I believe gives the Agency a sound footing to continue under my chairmanship into 2008 and 2009 with a series of very important recommendations in respect of matters at the heart of the interoperability and safety directives and new initiatives into the field of Cross Acceptance, ERTMS and Driver Licencing whilst at the same time effecting a transfer to its new office building in Valenciennes.

I am confident that, as one of the most important places where all political and economic actors in the railway sector can meet in an open and transparent manner, the Agency will succeed in its core objective of making a significant contribution to the implementation of the Community legislation aimed at improving the competitive position of the railway sector. I will, along with all my colleagues on the Administrative Board, continue to make our best efforts to facilitate the success of the Agency.



Michael Harting



Michael Harting, Chairman of the Administrative Board

# Milestones and key messages of the Executive Director

The year 2007 has been characterised by three features. On the one hand I am pleased to report that after a period of establishment the Agency in 2007 reached a size and a level of maturity and competence that allowed it to make substantial and timely progress with its operational activities focused on the objective of contributing, on technical matters, to the implementation of the Community legislation aimed at improving the competitive position of the railway sector. In particular 2007



Marcel Verslype, Executive Director

saw the delivery of the draft of the conventional TSI Infrastructure, the first Common Safety Method, the Intermediate Report on the TSI Locomotives and Passenger Carriages, the draft methodology for setting Common Safety Targets, the creation of a Conformity Survey Group, the definition of the functional enhancements to be included in version 3 of the ETCS baseline and the establishment of a number of registers and databases.

The Agency also further established its role as a collaborator at the heart of rail system management by participating in such activities as the ERTMS corridor steering group, OTIF, OSJD etc and the standardisation activities of CEN, CENELEC and ETSI. All of this was underpinned by robust economic evaluation. In parallel, recognising that every European administration has also a core responsibility to respect the need for sound processes of administration, management and internal control, I am equally pleased to report that 2007 saw the Agency's management processes reaching maturity.

Particular attention was paid to procurement and internal controls and it also gives me pleasure to report that, as was confirmed by the IAS follow-up audit report early in 2008, the majority of the early teething troubles and weaknesses identified in audits during 2006 were closed out in 2007 and that the small number remaining are well on course for closure in 2008.

However we now live in a rapidly changing rail sector and in 2007 it became clear that the role of the Agency is rapidly evolving. With the "open mandate" giving the Agency the task of filling



open points in the TSIS and dealing with error corrections, the Agency's activities took on, in 2007 a broader dimension.

The development of proposals for amendments to the directives and Agency regulation promise to further widen the scope of the Agency's activity by giving it an important future role in cross acceptance and enhancing the scope of the Agency's involvement in the management of registers and databases including the creation of a register of vehicle types.

Whilst this continuing enhancement of the scope of the Agency's activities presents new and difficult challenges (not the least of which is the acquisition of expertise in a growing rail sector) it demonstrates a significant level of confidence in the Agency and its staff.

As the only place where all the political and economic actors in the rail sector meet the Agency is well placed to be the forum where rail system problems are defined and resolved in a structured, inclusive and transparent manner and to take up the role of European rail System Authority.

As a comparatively small non-executive organisation we are very dependent upon contributions from the sector stakeholders to enable us to meet our objectives and in this context I would like to thank all our stakeholders (Member States, Safety Authorities, Sector Associations, Social Partners, passenger and freight users) for their continuing support and ongoing contribution to our work.



Marcel Verslype



# The Agency's Mission and Vision

## ■ Mission

The Agency's mission is to prepare new and updated legislative acts for adoption by the Commission, after a positive opinion from the Committee of Member States, and to give other technical support to the Commission.

The activities carried out by the Agency aim at:

- Developing a common approach to safety, safety regulation and accident investigation, in particular by harmonisation of safety assessment methods, safety targets and safety certification conditions;
- Improving the interoperability of the European rail system by developing the conditions for the free and uninterrupted movement of trains through technical and operational harmonisation, including conditions for mutual acceptance of railway vehicles;
- Facilitating the exchange of information within the railway sector by networking with national bodies, providing registers and databases, issuing reports and giving guidance on the implementation of the regulatory framework.

## ■ Vision

The Agency is working with a vision to contribute to the creation of an integrated European railway area where trains can run and be organised as transport services freely, safely, effectively and without interruption. The objective is to allow the rail transport sector to realise its inherent competitive advantages in relation to other transport modes.



## Administrative Board

The Administrative Board is the main governing body of the Agency. It is entrusted with the necessary powers to adopt the Agency's budget together with the work programme, to approve internal rules, and to establish transparent working procedures.

The Board is composed of four representatives of the European Commission and one from each of the Member States. Representatives of Norway and Iceland participate as members without voting rights along with six representatives from the railway sector who represent railway undertakings, infrastructure managers, railway supply industry, worker unions, passengers and freight customers.



# Summary of Board Decisions

The Administrative Board met three times in 2007.

## 27 February 2007

During its tenth meeting, the Administrative Board:

- Approved the transfers of appropriations for the budget 2007
- Decided to adopt the statement of estimates 2008 by written procedure
- Decided to adopt the Annual Activity Report 2006 by written procedure
- Elected as chairman Mr Michael Harting and deputy-chairman Mr Janos Berenyi (mandate for three years)

## 19 June 2007

During its eleventh meeting, the Administrative Board:

- Adopted the Multi-annual Staff Policy Plan for the Agency
- Decided to modify the ERA establishment plan 2007
- Gave its opinion on the ERA Annual Accounts 2006

## 31 October 2007

During its twelfth meeting, the Administrative Board:

- Adopted the Agency's Work Programme 2008
- Adopted the Implementing rules to the ERA Financial Regulation
- Approved the transfers of appropriations 2007
- Appointed an interim accountant and an accountant as from 16 December 2007

## In addition,

the Administrative Board adopted by written procedure the:

- 2007 budget
- statement of estimates 2008
- Annual report 2006
- transfers of appropriations 2007

# Deliverables and core-business results by activity

## ■ Safety

### Introduction

The activities of the Safety Unit of the Agency have their legal base in Directive 2004/49/EC (Railway Safety Directive), complemented by provisions of Regulation (EC) 881/2004 (Agency Regulation). Mandates from the Commission specify in more detail the work that has to be carried out. In general the activities are meeting deadlines and have delivered according to the Work Programme 2007.

All work streams have reached their full “cruising speed” with 25 working group meetings and 31 smaller group (task force) meetings during 2007.

A total number of 216 experts from sector associations and national bodies participated in these meetings. The staff of the Safety Unit travelled almost 400 times from Valenciennes to Lille, where the Agency meetings are held.

### The main achievements during 2007 were:

- The first version of the database of safety documents became operational in May 2007 and is now available through the Agency website.
- The recommendation on the first set of Common Safety Methods was submitted to the European Commission.
- A draft recommendation on the methodology for setting Common Safety Targets was distributed for consultation.
- A task force on peer reviews was created among the safety authorities to facilitate mutual recognition of safety certificates; the first peer reviews will be organised in 2008.
- The first annual reports of national safety authorities arrived during the autumn and will form a major input to the Agency's first biennial report on safety performance, expected in spring 2008.
- Criteria on the assessment of safety management systems were drafted and issued in 21 languages.
- A study on cross acceptance of Class 66 locomotives in different Member States was carried out and supported by a task force of national safety authorities.
- A draft protocol for the Agency's communication with national authorities and bodies was prepared and submitted for consultations.
- Guidelines for notification and validation of national safety rules were published.

## Horizontal activities

### Network of National Safety Authorities

To support the exchange of experiences and to harmonise decision-making criteria among national safety authorities (NSA) the NSA network was convened 4 times during the year 2007. An extra meeting was organised to exchange information between the NSAs and the vice-president of the European Commission, Mr. Barrot.

The character of the NSA network meetings has changed gradually from a purely informative nature to a more active exchange of experiences and best practices. The NSA network agreed, in addition to the “ERTMS focus group” established in 2006, to set up:

- A task force on cross acceptance
- A task force on peer reviews
- A task force on annual reports

The aim of the NSA task force on cross acceptance was to consider the findings of the Agency’s study on the examination of potential models of good practice in the cross acceptance of Class 66 locomotives, to improve and facilitate the exchange of information and to provide advice for further activities of the Agency on cross acceptance of rolling stock.

The task force on peer reviews developed and agreed on a draft manual to be used in pilot peer reviews in the first half of 2008.

These pilot peer reviews will focus on the practice of different NSAs concerning the applied processes and criteria to grant part A certifications (acceptance of the railway undertakings’ safety management system).

The task force on annual reports met 2 times in 2007 and proposed a template, a guideline and a Common Safety Indicators worksheet as a tool for drafting the annual reports of the NSAs.



The ERTMS focus group has the objective of incorporating the return of the NSA experience in the acceptance of ERTMS. During its 5 meetings in 2007 the group exchanged experiences on safety related open points in the relevant technical specification for interoperability such as operational rules, notification of bodies and GSM-R.

A first exchange of experiences and information between NSAs and the corresponding network of investigation bodies was organised. To improve the exchange of experiences several visits of project officers of the Agency to NSAs and visits from NSAs to the Agency took place in 2007.

#### **Public database of safety documents**

In line with Article 11 of Regulation (EC) 881/2004 the Agency is establishing step-by-step a publicly accessible database of safety related documents, such as licences, safety certificates, investigation reports and national safety rules.

After intensive testing by Agency staff and external collaborators final adjustments were carried out by the contracted development company and from May 2007 the first fully operational version of this databank was made available to the public.

Data on accidents and licence information already published on the Agency website were verified and, where possible, transferred to the new database. This data transfer process will be completed in 2008 along with further database improvements.

During 2007 270 accidents, 87 safety certificates, 48 licences and 25 national safety rules were recorded in the database.





## National Safety Rules and Technical Opinions

The report and recommendations to the Commission on the technical examination of national safety rules were submitted at the end of 2006. In spring 2007 these documents were presented to the Article 21 Committee for discussion. Based on the Agency's recommendations, the Commission accepted two notifications, requested seven countries to clarify the content of their notifications, and required fifteen Member States to renew their notifications.

The two accepted notifications and, where available, the text of the rules, have been registered to the Agency's database. To provide guidance for the Member States on the notification of their national safety rules, the team "National Safety Rules and Technical Opinions" published the following documents: "Guideline for Member States on the Notification of National Safety Rules", "Guideline for the Validation of the Notifications of National Safety Rules", and a "Note on Commonalities and Differences between National Safety Rules and National Technical Rules". The documents are available on the Agency website.

A Communication Protocol for the competent national authorities and bodies concerning all the Agency's tasks was developed and discussed with the relevant networks and committees. It will be sent to the Member States and Norway at the beginning of 2008. A methodology for the examination of the national transposition of the Railway Safety Directive was developed. At the request of the Commission, a pilot project was carried out to



analyse the implementation of the Railway Safety Directive to the Channel Tunnel Fixed Link.

Article 8(3) of the Railway Safety Directive requires the Agency to evaluate the way in which national safety rules are published and made available in the Member States, and to make recommendations for improving the accessibility of the rules. The terms of reference describing the tasks and the procedure for the work were prepared. A tender for a study to support the first phase this evaluation was launched in mid-2007 and the contract awarded in October. The report will be delivered in May 2008.

At the request of the Commission, the team “National Safety Rules and Technical Opinions” participated in meetings of various working groups and committees for the transport of dangerous goods by rail. The interactions between the RID regime and ERA tasks were analysed and agreement was reached on cooperation between the Agency and these working groups and committees.

The team assisted the Commission, the national authorities and other organizations by giving advice to questions and queries on national safety rules and notifications and by arranging meetings with representatives.





## Safety Certification and Authorisation

The work of the Safety Certification Team progressed in 2007 in line with the mandates\* issued by the Commission. The first part of the Common Safety Method for conformity assessment has been published in May 2007 and was made available on the ERA website in 21 EU languages.

It contains Safety Management System Assessment Criteria, which the national safety authorities will be able to use for the assessment of the applications of railway undertakings and infra-structure managers for a safety certificate/authorisation. In November an impact assessment was launched on the usability of the criteria.

The Agency was requested by the Commission to develop ideas for the standardisation of safety management systems (SMS). A survey on SMS best practice in the railway sector all over the world, as well as in other safety critical industries, was

\* Mandate to the European Railway Agency for the development of common harmonised requirements and common formats for application guidance documents; (Annex 4 to Commission Decision C(2006) 124 final of 09/II/2006)

Mandate to the European Railway Agency for the development of Common Safety Methods for conformity assessment with requirements in safety certificates and safety authorisations (Annex to Commission Decision C(2007) 250 final of 12/II/2007)

published in March 2007 and is available on the ERA website. In July a paper on the possibility of a global approach to safety certification within the railway sector as a whole, based on the idea of the development of a European Norm on SMS design and implementation, was published (available in English, French and German).

All this work was done in cooperation with the Working Group on Safety Certification and Authorisation, which met four times in 2007. The SafeCert Team has coordinated the Agency's work on cross acceptance of rolling stock.

The main tasks were the commissioning of a research study, the supervision of its processing and the organisation of a Task Force under the Network of National Safety Authorities. The objective of the Task Force was to accompany the study as well as the Agency's work on cross acceptance in general.

The results of the study and the Agency's response are available on the Agency's website. Finally, the team was involved in the preparation of the Peer Review among national safety authorities on safety certification procedures and the drafting of the peer review manual.

## Common Safety Targets (CSTs) and Common Safety Methods (CSMs)

According to the mandate the Agency is required to deliver the final recommendation for the first set of CSM to the Commission not later than the 30 September 2007 (deadline defined by the respective mandate of the European Commission). According to the mandate the Agency is required to deliver the final recommendation for the first set of CSTs to the Commission not later than 30 September 2008.

### Common Safety Methods

In line with the requirements of Directive 2004/49/EC and based on mandates issued by the Commission, the Agency aims to develop CSTs and CSMs:

- to ensure that the current level of safety performance of railway systems at Member State level will be maintained (and, where reasonably practicable, improved) and
- to assess the achievement of safety targets, safety levels or other safety requirements.

At the start of 2007 the Agency finalised the first draft of the recommendation on the 1st set of CSM (for risk assessment and evaluation). After review by the CSM working group, the recommendation was sent for consultation to the social partners, to the members of the NSA network as well as to the social partners and the European Passengers Federation.

The recommendation on the 1st set of CSM was delivered by the Agency to the Commission on 6 December 2007 together with an accompanying report on the development of the recommendation. The accompanying report details also minority opinions on which the working group could not agree. The recommendation and the report are available on the Agency website.

In relation to the first set of CSM and a possible future revision the Agency, using dedicated task forces, started to elaborate complementary information on:

- the definition of and criteria for significant changes,
- the identification of risk acceptance criteria to be used within explicit risk estimation and
- the development of the roles and responsibilities of assessment bodies.

In addition to the recommendation the Agency continued to develop a guide supporting the implementation of the 1st set of CSM from 2008.

### Common Safety Targets

Following the concept of National Reference Values (NRVs) and definitions of measuring units for NRVs and CSTs in 2006, the Agency focused in 2007 the activities of the CST working group on the development of the methodology for calculating and assessing achievement of NRVs and CSTs. This draft methodology was published in a technical report in September 2007. Based on

the technical report a recommendation to the Commission was drafted and approved during the December meeting of CST working group with the following remarks:

- the Italian NSA considered that the methodology should cover targets at the level of causes of accidents instead of at the level of the accidents
- the criterion to decide if the performance of one member state is clearly unacceptable should be developed further.

In December 2007 the Agency sent the recommendation on “the methodology for calculating and assessing achievement of NRVs and CSTs” to the NSAs of the Member States, to the social partners and to the European Passengers Federation for consultation.

Once the recommendation is delivered to the Commission the next steps of the activity will be to develop a proposal on the actual values of the CSTs and NRVs, to be delivered in February 2009, and to reflect on the second set of CSTs and priority areas where safety needs to be further improved. These reflections will primarily be based on data returned through the common safety indicators for the years to come.

## Reporting

The Agency is required to deliver the final recommendation of the Agency concerning the revision of Annex I of Directive 2004/49/EC not later than 30 September 2008.

In 2007 the Common Safety Indicators Working Group met three times. The work on the definitions for the proposal for the revision to Annex I continued throughout 2007. At the end of 2007 all definitions were agreed within the working group. The economic indicators were further developed in conjunction with the economic evaluation unit of the Agency and an approach agreed based on the value of preventing a casualty and willingness to pay.

In June 2007 the Agency supported Eurostat in the presentation of proposals to harmonise Annex I

of the Safety Directive and the related Eurostat statistical data. The proposal was not accepted and consequently Eurostat put in place a written procedure which will reach completion in 2008.

During 2007 the accident investigation and safety monitoring activities joined to form a safety reporting and monitoring team. In line with the requirements of Directive 2004/49/EC the Network of Investigation Bodies met three times during 2007 to discuss common methods and approaches and to exchange experience. In addition three task forces were convened to support the development of common approaches for:

- Accident causation classification
- Annual reports
- Safety recommendations





During the year a seminar was held on level crossing accidents in conjunction with the Network of Investigation Bodies to share good practice and to discuss the possibilities for European level recommendations in respect of level crossings. In conjunction with the June plenary session of the Network the Agency facilitated an inter-agency meeting to exchange information and establish links with the agencies for aviation and maritime safety, EASA and EMSA, and the Commission services of DG TREN.

2007 was the first year for submission of annual reports from National Safety Authorities and National Investigation Bodies. The deadline for submission was 30th September 2007. By the end of 2007 reports concerning the common safety indicators had been received from 24 National Safety Authorities and reports were submitted from 15 National Investigation Bodies. The analysis of the reports commenced in October to analyse the data as preparation for the Agency's biennial report on the development of safety performance in 2008.

## ■ Interoperability

The Agency continued its work in the field of interoperability. In 2007 the Interoperability Unit conducted a total of 79 meetings with the participation of the national safety authorities and the sector organisations and, in certain cases, NB-Rail and the social partners.

## TSI Drafting and Revision

The Agency supported the legislative work of the European Commission by drafting new Technical

Specifications for Interoperability (TSIs) and revision of already adopted TSIs. In 2007, the activities related to TSIs were based on the two mandates given by the Commission: C(2006) 124-final of 9 February 2006 and C(2007) 3371-final of 13 July 2007.

### TSI Infrastructure

The preliminary draft of TSI Infrastructure together with the report was submitted to the European Commission in December 2007. Six meetings of the Working Party were held and several ad hoc groups were established to support its work. These were: Interface Group Infrastructure/Rolling Stock, Interface Group Infrastructure/Energy, Structure Subgroup, Conformity Assessment and TSI Implementation Subgroup, Aerodynamics Experts Group (together with Rolling Stock team).

The cooperation with NB Rail Structure Subgroup and bilateral meetings with CEN representatives delivered added value to the quality of preliminary draft TSI Infrastructure.

### TSI Energy

Following the submission of the Intermediate Report to the Commission in December 2006, in 2007 the activities related to TSI Energy involved the final details of the requirements for the subsystem and Interoperability Constituents, and the finishing off of the complete draft document to be submitted to the Commission at the end of the year.

In 2007, a subgroup on energy measuring equipment was established. In July 2007, the subgroup produced a report on Energy metering. It

recommended that the requirements for energy measuring equipment on board should be put in the Locomotive and Traction Unit Conventional Rail TSI, because it is an inner part of the vehicle, directly connected to the vehicle systems and installations, and also protected by the vehicle protection system. The report also analysed the possible impacts of the Energy Market Directive 2003/54 on the TSIs.

### TSIs related to Rolling Stock

The intermediate report submitted to the Commission in September 2007 recommended the drafting of a single TSI covering "Passenger carriages" and "Locomotives, traction units and self propelling thermal or electric trains". The intermediate report was approved on this basis in November 2007. The main activities of the two working parties were focuses on the development of the basic parameters, the specification of most of the technical items and the drafting of the Implementation and Conformity assessment sections of the TSI.

### TSI Operations & Traffic Management

The revision of TSI Operation commenced in September 2007. Three working parties are involved in the revision process: a Core Group and two separate working parties dealing with vehicle identification and brake performance. The intermediate report is expected to be ready towards the end of 2008. The recommendations for Annex P and Annex A are envisaged for submission to the European Commission in June 2008 and the recommendation for Brake Performance is anticipated for autumn 2008.

### TSI Freight Wagons

The revision of TSI Freight Wagons started in the October 2007. The Working Party established a work programme and developed an inventory of all the questions related to the TSI Freight Wagons that should be considered during the revision process.

### TSI Telematics Applications for Passengers

The Working Party started its work in February 2007. Its activities during 2007 involved the definition of the scope for TSI Telematics Applications for Passengers, the development of a glossary and the specification of the essential requirements. The Working Party also dealt with the architecture of the TAP subsystem, and conducted a review of best practices and existing standards in order to understand the requirements of the sector organizations.

This facilitated the drafting of the basic parameters. A specific subgroup was created to deal with the design of business modelling for this TSI.

### Other TSIs

Further to the development and revision of the conventional rail TSI group the Agency supported the Commission's activities on TSI Persons with reduced mobility, TSI Safety in Railway Tunnels and HS TSI Infrastructure with technical advices and comments on ongoing discussions.

### Conformity Survey Group.

To support the revision and drafting the TSI chapters related to conformity assessment, a Conformity Survey Group was established in September

2007. It validated the choices regarding the assessment procedures made by the working parties on CR TSI Energy and CR TSI Infrastructure.

### Relationship between the 1435 mm and the 1524/1520 mm railway system

The Interoperability Unit progressed with the feasibility study supported by three ad hoc groups (Infrastructure, Rolling Stock and Operation) which are studying the relationship with the 1520/1524 mm gauge system. The ad hoc groups analysed the existing technical and operational regulations, certification and conformity assessment procedures, etc. with a special emphasis on the high level of existing interoperability with third countries. This study was carried out using the process used for drafting the TSIs. To inform the associations of stakeholders and collect their feedback, a Working Party was established.

The draft Interim Report giving preliminary conclusions on the pertinence and feasibility of specific TSIs for the 1520mm gauge system, was presented to the associations of the stakeholders, NSA Network and Art. 21 Committee and its final version was submitted to the Commission in November 2007.

In addition, the Interoperability Unit established collaboration with the OSJD (the Organisation for Railway Cooperation) on the analysis of relationship between the EU 1520/1524mm rail system and the non-EU rail system.

This collaboration is limited only to technical and operational aspects. Here also the process used for drafting TSIs was employed.



## Technical Coordination

To ensure good coordination with the interoperability related activities of other organisations and bodies, the Agency actively cooperated with European standardisation bodies, notified bodies (NoBos), NB-Rail and national safety authorities (NSAs).

### Cooperation with European Standardisation Bodies

In May 2007, the Agency signed a Memorandum of Understanding with CEN, CENELEC and ETSI to streamline the technical coordination with European Standardisation Bodies and to ensure consistency between the TSIs drafting process and the standards development.

In September 2007 an ad-hoc group with representatives from ERA and European standardisation bodies delivered a paper outlining the link between the TSI and standards development. Such an approach would allow the shortening of

the time for the delivery of the TSI and standards to 3 years.

In accordance with the general mandate given by the Commission to the standardisation bodies the Agency made 8 requests for development of new standards related to TSIs.

### Cooperation with NoBos

The Agency continued its collaboration with NB-Rail, the secretary of Notified Bodies, in order to collect clarification requests and prepare answers to be submitted to the Commission. In order to receive feed-back of the NoBos the Agency participates in the strategic and plenary NB-Rail meetings as well as all the NB-Rail sub-systems sub-groups.

### Cooperation with NSAs

Beside the cooperation of NSAs within the Working Parties, the Interoperability Unit informed NSAs about all ongoing activities via the NSA Network.



### Vocational Competences

The Working Party dealing with vocational competences on common uniform criteria and the assessment of staff involved in the operation and the maintenance held its “kick off” meeting in December 2007. Establishing two separate working parties; one dealing with driver licensing and one with the assessment of training centres. In order to facilitate the future discussions on these issues the Agency conducted two meetings with the social partners at which the principles and procedures for coordination were discussed.

### European System for Certification of Maintenance Workshops

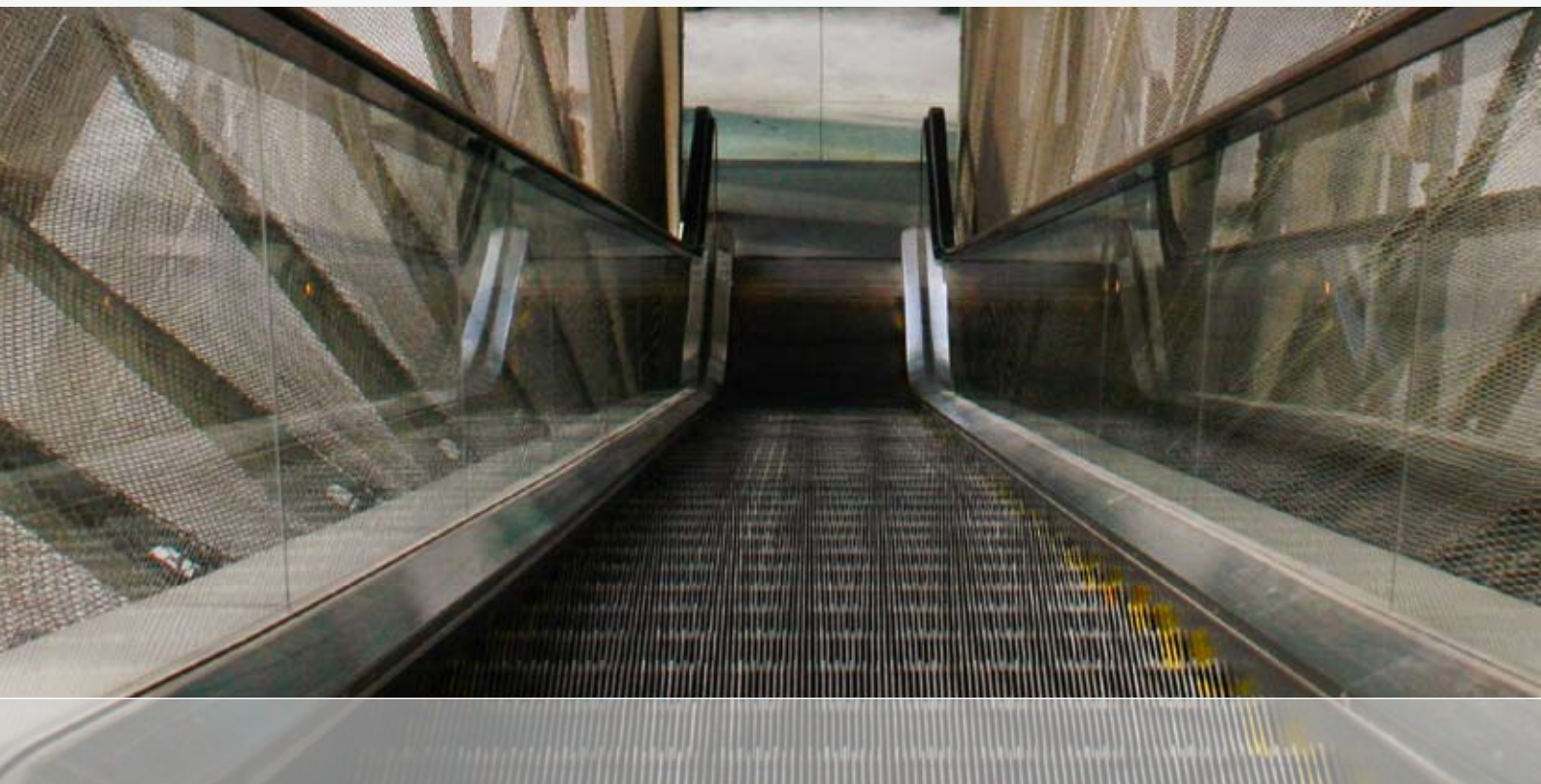
In October 2007 the Agency submitted the second intermediate report for the Proposal for European system for certification of maintenance workshops for rolling stock. It recommended a voluntary

certification. The report covered the management system, staff and their competences, facilities and tools, technical documentation and maintenance prescriptions. The activities of the WP also involved the development of requirements for the certification in a Guidance document and the definition of the requirements for assessment of issuing bodies. To streamline the process of implementation of the system, the WP considered the management of certification after the entry into force, the implementation schedule and the specifics in the transitional period.

### Registration of rolling stock

#### National Vehicle Register (NVR)

The Agency supported the preparatory work of the Commission related to Commission Decision 2007/756/EC of 9 November 2007 (notified under C(2007)5357) adopting a common specification of



the National Vehicle Register provided for under articles 14(4) and (5) of Directives 96/48/EC and 2001/16/EC.

#### European Centralised Virtual vehicle register (EC VVR)

As part of the implementation of NVR, the Agency launched an IT pilot project. This EC VVR project involves three pilot Member States (France, Italy and the Netherlands) and an IT subcontractor.

#### Register of Rolling Stock (RRS)

One of the thirteen items of the NVR is a reference to the RRS. However, further clarifications were necessary in 2007 on the RRS.

The unit therefore continued its works and in July 2007 submitted to the Commission a recommendation on the RRS which covered its content, format and management.

#### Technical Registers and Databases

In spring 2007 it was decided that Interoperability Documents Database (IDB) would be developed within the Agency's Information System in close compatibility with Safety Documents Database.

Initially a technical specification and description of the IDB was issued. In order to harmonize it this was followed by a special meeting with NSA representatives.

At the end of the year the Agency announced a call for tender to select an IT company to set up the part of the information system concerned to the collection and publication of interoperability documents.



## ■ ERTMS

In 2007 the Agency established its role as the system authority for the ERTMS specifications, with notable results in the field of ETCS.

The database for the ERTMS Change Requests (CR) was defined and put in service in July, receiving positive feedback from the experts using it as a tool for the technical discussions on ETCS. The database has been progressively populated, and by the end of the year it contained all the CR's extant for the version of the ETCS system in force.

The Agency, working in close cooperation with the sector, defined the set of modifications and clarification necessary for the ETCS version 2.3.0, analyzing the possible alternatives and the consequences for present and future projects. This resulted in a recommendation to the Commission for the updating of the Annex A of the two TSI CCS.

In December, the Agency agreed with the sector organizations the maximum number of functional enhancements to be further analyzed and defined for the ETCS Baseline 3.

For the GSM-R specifications, an ad-hoc working group was created to examine the impact and consequences of the optional functions allowed in the current specifications.

The Agency also launched a feasibility study on the formalization of the system specification, with a view to facilitate the assessment of conformity and the maintenance of the specifications, by concluding a contract on this matter with an international

consortium after a successful open call for tender. In June the Agency organized the first ERA ERTMS Conference, with qualified speakers from the stakeholders, attended by about 100 delegates. The participants found the event most useful.

In November, the results of the study -externally contracted- to survey the safety approval process of the first ERTMS projects was received and reviewed with the NSA's in the ERTMS Focus Group.

In the course of the year, a negotiated procedure was successfully completed with the aim to test the braking curve ergonomic aspects with train drivers using an ETCS train simulator. The results, expected in April 2008, will be essential to finalize the definition of the ETCS braking curves.

The Agency has also participated in the ERTMS MoU Steering Committee activities, giving appropriate support to the ERTMS Coordinator of the European Commission.

## ■ Economic Evaluation

In 2007 the economic evaluation unit further contributed to the preparation of Agency recommendations by providing "embedded" evaluation work, in close cooperation with the Working Parties concerned.

In this way, it has been possible to highlight the economic effects of draft recommendations, staying close to the matter, taking some influence on the course of choices made, while still remaining neutral and independent, this work being monitored by the Economic Survey Group.

The evaluation methodology proposed in 2006 and approved early 2007 was implemented, resulting in the production of further “applied methodology” documents (tailored to the particular aims of each single recommendation), and in the first comprehensive reports concerning ERA recommendations, in particular concerning Common Safety Methods, Infrastructure TSI, and Energy TSI. By performing evaluation work in parallel with the drafting of recommendations, the Agency ensures that impact assessment is provided in a timely manner to help steer the recommendations, and that it does not induce delays in delivering the recommendations. The work performed rests heavily on the availability of data owned by the concerned stakeholders. During 2007 the format

and presentation of questionnaires was further improved to that purpose. The DREAM initiative was launched.

This is a data processing project aimed at the handling and use, in a consistent manner, of the data provided through questionnaires or other sources. The aim is to have a working prototype in place by the end of 2008, followed by gradual deployment and sharing with the stakeholders until 2010.

The Economic Evaluation unit also provided direct support to the Commission through a contribution to TEN Networks project assessment, and by providing advice on hot topics closely related to Agency activities, such as ERTMS corridors or wagon noise reduction.



## Part B – Internal control



# Internal control

During 2007 the Agency made significant progress in the field of internal control.

- It created an Internal Audit function.
- It undertook a risk management exercise.
- It implemented the recommendations of the report of the Internal Audit Service (IAS) of the European Commission.

In 2007 the Agency created an Internal Audit function within the Directorate by recruiting a local internal auditor to contribute to the overall level of assurance by providing independent opinions on the effectiveness of the internal control system and offering advisory services on risk management and internal control.

The risk management exercise, involved risk managers from the different units of the Agency and was coordinated by a risk facilitator. Its objective was to establish the areas requiring priority of control focus and its main output was a risk register. This described the risks that were assessed as significant for the Agency and an action plan to mitigate these risks.

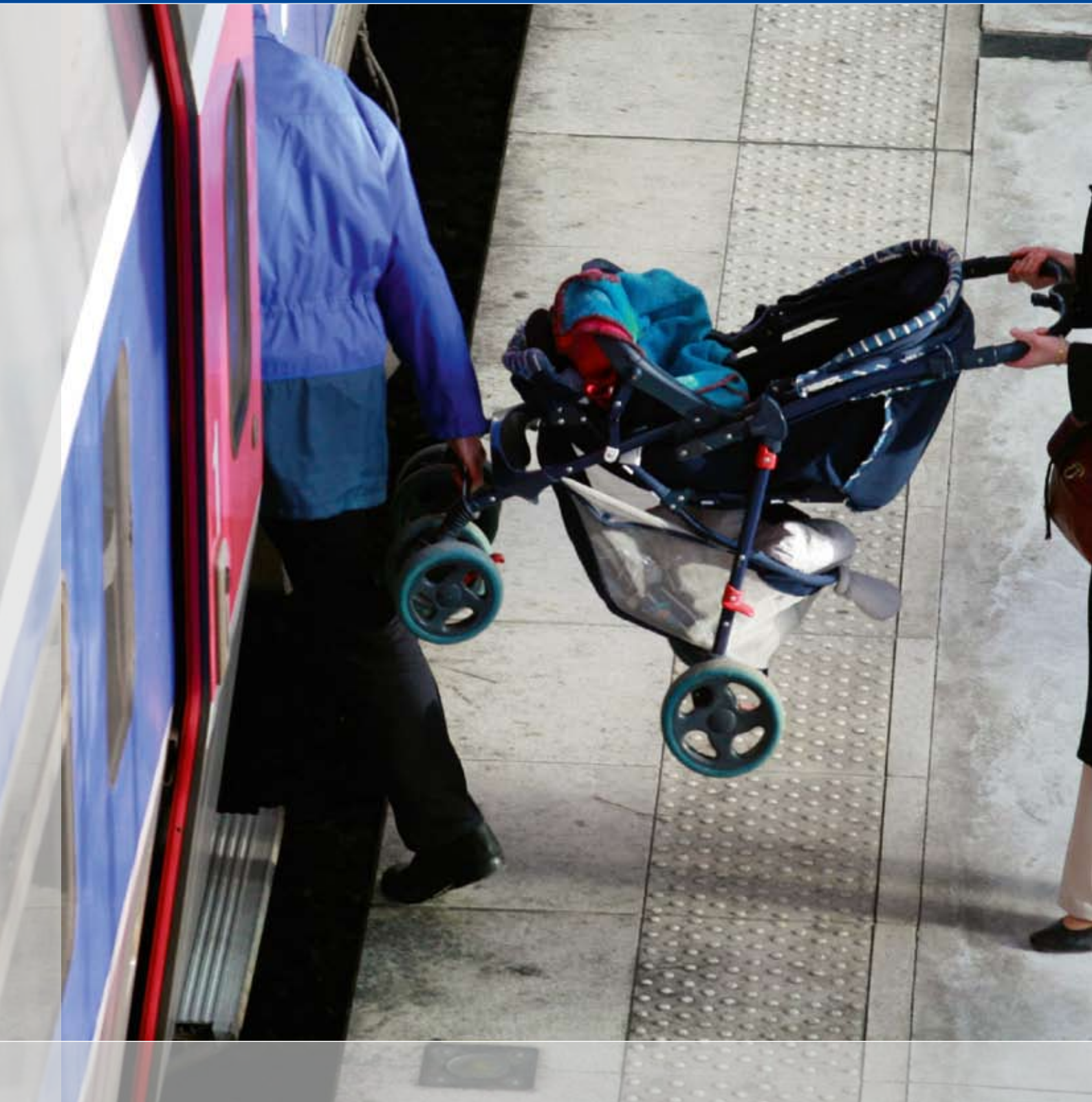
Following the audit in 2006 on the adequacy, effectiveness and efficiency of the internal control system by the Commission Internal Audit Service (IAS) the Agency produced and implemented an action plan to address the IAS's recommendations.

By the time the IAS completed its follow up report in February 2008 they were able to confirm that 32 of their 36 recommendations had been closed out and that close out of the other 4 was « in progress ». One of these was assessed as « critical » in the draft follow-up report although it has not lead to any material financial loss and does not qualify as a significant weakness. It will be corrected along with the other three in 2008.

The Agency intends to further reinforce its internal control system by adopting in the course of 2008 the new Internal Control Standards defined by the European Commission.

A Gap analysis exercise will be carried out in the second semester of 2008 aimed at adapting and prioritise the 16 Commission's internal control standards to the specific environment and risk profiles of the European Railway Agency. This will allow a meaningful assessment of the functioning of the Agency's internal control system that ultimately will supports the annual assurance of the Executive Director as from 2008.

## Part C – Support Services





## Human Resources

In the course of 2007, ERA recruited 21 Temporary Agents and one Contract Agent, while six Temporary Agents left the Agency. By the end of the year, the total number of staff was 98 (94 Temporary Agents and 4 Contract Agents).

Of these, 59 can be regarded as operational staff (staff working for the Safety, Interoperability, ERTMS and Economic Evaluation Units) and 39 as administrative staff (the Executive Director, the Directorate Support staff and the staff of the Administration Unit).

The planned total of 110 staff was not reached due to a lack of qualified candidates, budgetary constraints and operational considerations justifying postponement of recruitment to 2008.

The first Multi-annual Staff Policy Plan 2008-2010 was adopted by the Administrative Board on 19 June 2007.

In 2007 four implementing rules were submitted to the Commission for agreement. One of these (concerning grading at recruitment) was subsequently adopted. The three remaining ones (concerning Temporary Agents, staff appraisal and reclassification) will be adopted in 2008.

The annual Training Plan was adopted in January 2007, communicated to ERA's staff and implemented through participation both in courses included in the Commission's Training Catalogue (to which ERA staff have access under conditions provided for in the SLA signed with the Commission) or to other external training initiatives.



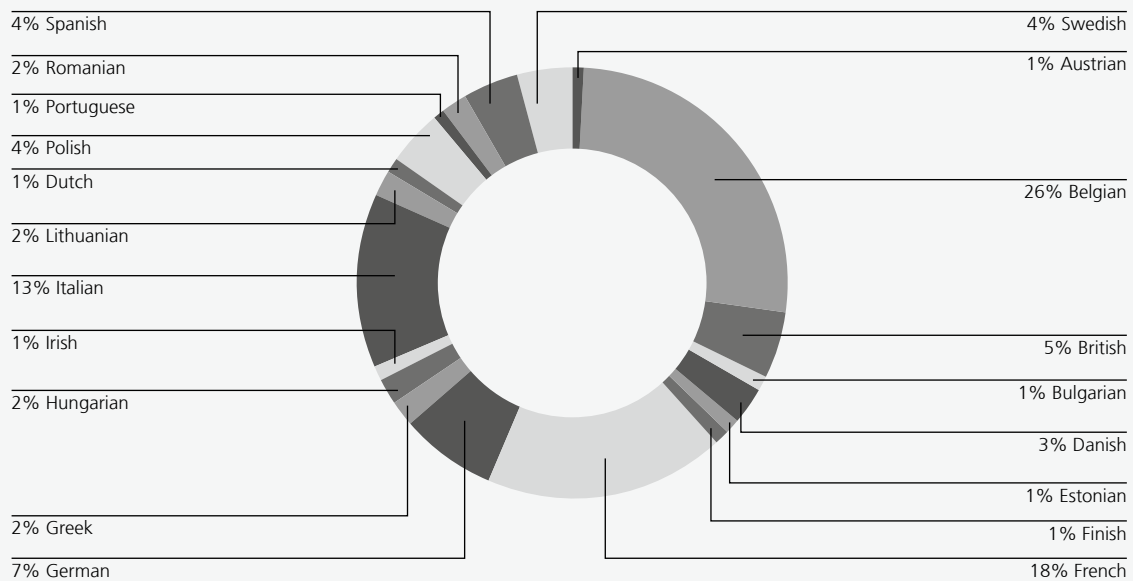
In line with the planning, the most significant training initiatives carried out were within the following areas:



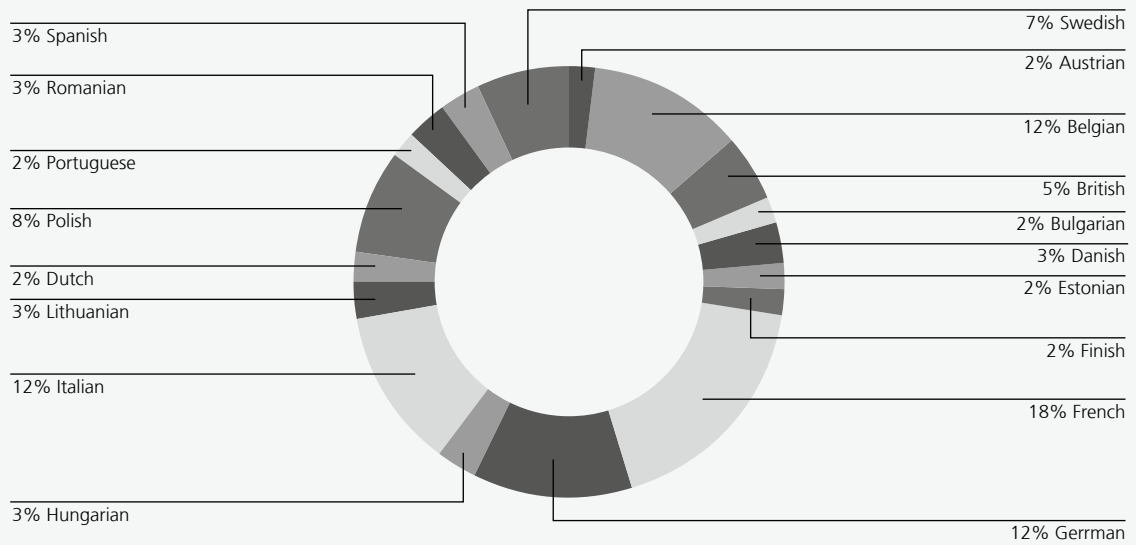
In addition, the Agency developed a language training policy. It has also offered railway training seminars to staff who needed to enhance their specialized knowledge. An average of eight training days per staff member was attained in 2007.

## ■ Split of nationalities within ERA

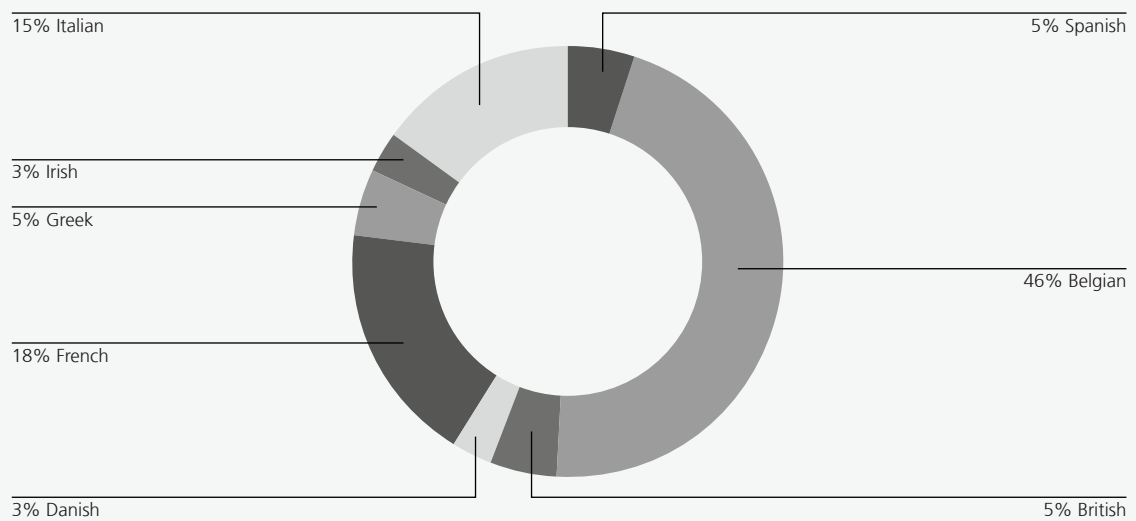
### ERA Nationalities: All Staff



### ERA Nationalities: Operational staff



### ERA Nationalities: Non-operational administration staff



## Finance, Accounting and Procurement



Financially, 2007 was the second year of autonomy and the year when the result of the first year of autonomy (2006) was audited by the Court of Auditors.

The year marked an increased level of maturity which amongst other things was reflected by the fact the implementing rules to the financial regulation were adopted and a first manual of financial procedures developed. The central procurement function was also established. It launched ten open calls for tenders, one negotiated procedure with an amount bigger than 150 000 € and two negotiated procedures with an amount between 25 000 € and 60 000 €.

The Agency deferred the move to the Accrual Based Accounting information system (ABAC) from the beginning of 2008 to 2009.

Since July 2007, the Agency has been reporting monthly to the Commission (DG TREN) about the budget execution (commitments and payments). The main figures concerning the implementation of the 2007 budget and the balance sheet at the end of the year can be found in Annex 4.

## Infrastructure services at ERA

### **Information Technology, Premises and Facilities**

Following the recommendations of audits, ERA launched an open procedure to identify external service providers for development, studies and support for the ERA information systems in order to cover short to medium term needs.

In addition, a number of business applications were made available on the ERA ICT infrastructure, notably the Public Database of Safety Documents and the ERTMS Change Request Management Tool, while the improvement of the ERA online collaboration environment progressed.

Specific attention was devoted to the ERA internet site. The adoption of new off-the-shelf

technology, coupled with the implementation of specific customised modules, enabled the publication on the Agency's website of relevant information using a streamlined workflow procedure. This achievement was supplemented by the introduction of request forms that are available on-line at the Agency's website in order to obtain information and/or documentation from the Agency.

Fitting works affecting the Lille premises and their network connection to Valenciennes headquarters were carried out, aiming at the implementation of video-conference services at the general improvement of the meeting facilities. At the same time, preparations were made together with the local authorities for the building of a new headquarters in Valenciennes.



## Staff Committee

The staff committee is composed of six members of the Agency, generally representing all categories of staff. The present committee was elected in September 2006 with a mandate of two years. Objective of the staff committee is to:

- Represent the interests of the staff vis-a-vis the Agency
- Maintain continuous contact between the Director/Administration and the staff
- And-in this manner-to contribute to the smooth running of the services by providing a channel for the expression of opinion by the staff.



The staff committee has been involved in the formulation of the Agency's policy on promotion, training facilities, missions and working conditions.

It worked together also with staff committees of other Agencies through the Assembly of Agency Staff Committees (AASC) to exchange and enlarge experience.

The committee is available to the staff for consultation on workplace issues such as training, flexi-time working conditions, interpretation of the regulations etc. In order to facilitate the dialogue the staff committee has also set up a section in the Agency's intranet including an inbox to receive questions, comments etc.

The section is regularly updated with new information, agendas and minutes of meetings. Any relevant documentation received from other Agencies is also put online.



## Part D – List of Annexes





# Annex 1: Composition of the Administrative Board on 31 December 2007

## Member States

MEMBER STATE	MEMBER OF THE ADMINISTRATIVE BOARD	ALTERNATE
Austria	Mr Wolfgang Catharin	Mr Klaus Gstettenbauer
Belgium	Mr Michel Damar	Mr Joannes Peeters
Bulgaria	Mr Simeon Anaviev	Mr Joro Dimitrov
Cyprus	Mr Patroclos Kithreotis	Mrs Eleni Pipi-Hadjikosta
Czech Republic	Mr Jaroslav Sousěk	Mr Jindrich Kusnir
Denmark	Mr Jesper Rasmussen	Mr Knud Elm-Larsen
Estonia	Mr Jüri-Karl Seim	n/a
Finland	Mr Kari Alppivuori	Mr Hannu Pennanen
France	Mr Patrick Vieu	Mr Denis Huneau
Germany	Mr Michael Harting (Chairman)	Mr Klaus Beer
Greece	Mr Triantafyllos Papatriantafyllou	Mr Miltiadis Provatas
Hungary	n/a	Mr István Gáal
Ireland	Mr John Welsby	Ms Mary Molloy
Italy	Mr Enzo Celli	Mr Alberto Chiovelli
Latvia	Mr Janis Eiduks	Mr Andris Dunsķis
Lithuania	Mr Sigitas Mareckas	Mr Andrius Paskocinas
Luxemburg	Mr Jeannot Poeker	Mrs Myriam Recken
Malta	Mr Ivan-Cark Saliba	Mr Peter-Paul Bonnici
Netherlands	Mr Rob van der Burg	Mr Edwin Griffioen
Poland	Mr Mirosław Antonowicz	Mr Sławomir Dyl
Portugal	Mr Antonio Brito da Silva	Mr. José Aranha Antunes
Slovakia	Mr Miroslav Dorcak	Mr Vladimir Jozef Dlhopolcek
Romania	Mr Constantin Zaharia	Mr Vasile Belibou
Slovenia	Mr Borut Prhac	Ms Breda Kriznar
Spain	Mr Eduardo Molina Soto	Mr Manuel Niño González
Sweden	Mr Ulf Lundin	Mr Ove Andersson
United Kingdom	Mr Giles Thomas	n/a

## European Commission

MEMBERS	ALTERNATES
Mr Zoltan Kazatsay	Mr Augusto Bonucci
Mr Enrico Grillo-Pasquarelli	Mr Heiko Kunst
Mr Jonathan Scheele	Mr Maurizio Castelletti
Mr Pedro Ortun	Ms Maria Spiliopoulou-Kaparia

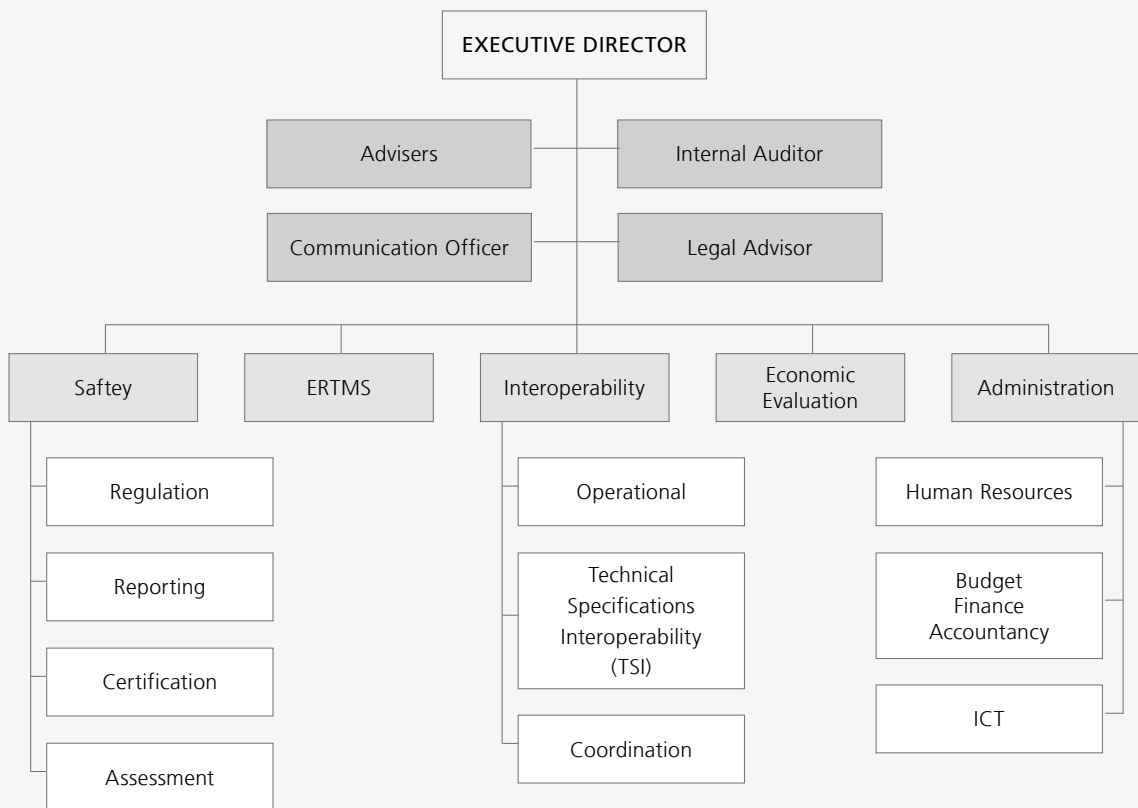
## European Economic Area States

STATE	MEMBER OF THE ADMINISTRATIVE BOARD
Iceland	Mr Sigurbergur Bjornsson
Norway	Mr Erik Ø. Johnsen

## Sector Representatives

SECTOR	MEMBER
Railway undertakings	Mr Hartmut Mehdorn
Infrastructure managers	Mr Berend Klerk
Railway industry	Mr André Navarri
Trade unions	Mr Norbert Hansen
Passengers	Mr Christopher Irwin
Rail freight customers	Mr János Berényi (Deputy-Chairman)

## Annex 2: ERA Organisational Chart



## Annex 3: Declaration of Assurance by the Authorising Officer



I, undersigned, Marcel Verslype, Executive Director of the European Railway Agency in my capacity as authorising officer;

Declare that the information contained in this Annual Activity Report 2007 gives a true and fair view;\*

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions;

This reasonable assurance is based on my own judgement and on the information at my disposal;

Confirm that I am not aware of anything not reported here which could harm the interests of the Institution.

Valenciennes,  
Marcel Verslype

\* True and fair in this context means reliable, complete and correct view on the state of affairs in the Institution.

## Annex 4: Financial reports 2007

### Budget execution

2007	APPROPRIATIONS	COMMITMENTS	%	PAYMENTS	%	CARRY-OVER	%
Title I	9 468 600	9 163 292	96.7	8 676 927	91.6	486 365	5.1
Title II	1 797 500	1 731 160	96.3	968 841	53.9	762 319	42.4
Title III	3 448 000	2 698 970	78.3	920 220	26.7	1 778 750	51.6
<b>TOTAL ANNUAL SUBSIDY</b>	<b>14 744 100</b>	<b>13 593 422</b>	<b>92.2</b>	<b>10 565 988</b>	<b>71.6</b>	<b>3 027 434</b>	<b>20.5</b>

(values in €)

### Negotiated Procedures

Contracts ≤ 25 000 € Contracts ≥ 60 000 €

Count: 3

Total Amount: € 169 450.00

NUMBER	CONTRACTOR(S)	TYPE OF CONTRACT	DESCRIPTION	AMOUNT (€)	LEGAL BASE
ERA/2006/ERTMS	<b>Deutsche Bahn AG</b> Systemtechnik Kaufmännische Dienste T.TZD Völckerstr 5 D-80939 Munich	Services	Study to define train journeys on a simulator, to test and prepare the analysis on the ERTMS braking curves specifications	49 800.00	FR (IR) Art.119
ERA/2006/ADNP03	<b>Gelis Communications</b> Rue des Echevins 80 B-1050 Bruxelles	Services	Upgrade of Logo /design services	59 650.00	FR (IR) Art.119
FWC ERA/2007/DM/S/05	<b>CG Traduction &amp; Interpretation</b> 8, rue Rameau BP 235 F-78002 Versailles	Services	Interpretation Services	60 000.00	FR (IR) Art.119

FR (IR): Financial regulation (Implementing Rules)

## Summary of Procedures

(Excluding real estate contracts and contracts ≤ 25 000 €)

TYPE OF CONTRACT	COUNT	AMOUNT (€)
Supply	2	660 000.00
Services	8	2 585 000.00
Works	0	0
<b>TOTAL</b>	<b>10</b>	<b>3 245 000.00</b>

PROCEDURES	COUNT	AMOUNT (€)
Open	9	3 095 000.00
Restricted	1	150 000.00
Negotiated	0	0
Negotiated Competing	0	0
Other	0	0
<b>TOTAL</b>	<b>10</b>	<b>3 245 000.00</b>

## Real Estate Contracts

Count: 0

Total Amount: € 0.00

NUMBER	CONTRACTOR(S) NAME / ADDRESS	TYPE OF CONTRACT	DESCRIPTION	AMOUNT (€)	LEGAL BASE
n/a	n/a	n/a	n/a	n/a	n/a

## Economic Outturn Account

(provisional accounts)

<b>ECONOMIC OUTTURN ACCOUNT</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Revenues from administrative operations	166 421.27	363 479.21
Other operating revenue	12 575 529.62	11 920 479.19
<b>TOTAL OPERATING REVENUE</b>	<b>12 741 950.89</b>	<b>12 283 958.40</b>
<b>Administrative expenses</b>	<b>-10 417 824.07</b>	<b>-8 183 793.41</b>
└ Staff expenses	-8 896 470.05	-6 693 991.61
└ Fixed assets related expenses	-268 778.53	-167 815.96
└ Other administrative expenses	-1 252 575.49	-1 321 985.84
<b>Operational expenses</b>	<b>-2 697 314.23</b>	<b>-1 329 795.02</b>
└ Other operational expenses	-2 697 314.23	-1 329 795.02
<b>TOTAL OPERATING EXPENSES</b>	<b>-13 115 138.30</b>	<b>-9 513 588.43</b>
<b>Surplus (deficit) from operating activities</b>	<b>-373 187.41</b>	<b>2 770 369.97</b>
Financial revenues	475.26	2 669.42
Financial expenses	-10 757.36	-1 614.28
Movement in pensions (-expense; + revenue)		
<b>Surplus (deficit) from non-operating activities</b>	<b>-10 282.10</b>	<b>1 055.14</b>
<b>Surplus (deficit) from ordinary activities</b>	<b>-383 469.51</b>	<b>2 771 425.11</b>
Extraordinary gains (+)		
Extraordinary losses (-)	-37 112.10	
<b>Surplus (deficit) from extraordinary items</b>	<b>-37 112.10</b>	<b>0.00</b>
<b>ECONOMIC RESULT OF THE YEAR</b>	<b>-420 581.61</b>	<b>2 771 425.11</b>

## Balance sheet - assets

(provisional accounts)

BALANCE SHEET - ASSETS	31/12/2007	31/12/2006
<b>A. NON CURRENT ASSETS</b>		
<b>Intangible fixed assets</b>	<b>450 212.82</b>	<b>505 446.67</b>
<b>Tangible fixed assets</b>	<b>372 662.97</b>	<b>378 431.56</b>
└ Land and buildings	0.00	0.00
└ Plant and equipment	59 387.48	50 489.76
└ Computer hardware	296 345.18	309 159.02
└ Furniture and vehicles	16 930.31	18 782.78
└ Other fixtures and fittings		
└ Leasing		
└ Tangible fixed assets under construction		
<b>Long-term pre-financing</b>	<b>0.00</b>	<b>0.00</b>
└ Long-term pre-financing		
└ LT pre-financing with EC entities		
<b>Long-term receivables</b>	<b>0.00</b>	<b>0.00</b>
└ Long-term receivables		
└ Long-term receivables with EC entities		
<b>TOTAL NON-CURRENT ASSETS</b>	<b>822 875.79</b>	<b>883 878.23</b>
<b>B. CURRENT ASSETS</b>		
<b>Stocks</b>	<b>0.00</b>	<b>0.00</b>
<b>Short-term pre-financing</b>	<b>0.00</b>	<b>18 277.44</b>
└ Short-term pre-financing	0.00	18 277.44
└ Short-term pre-financing with consolidated EC entities		
<b>Short-term receivables</b>	<b>186 090.66</b>	<b>188 122.18</b>
└ Current receivables	154 875.24	178 273.43



<b>BALANCE SHEET - ASSETS</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
⊥ Long-term receivables falling due within a year		
⊥ Sundry receivables	31 215.42	5 198.99
⊥ Other		4 649.76
⊥⊥ Accrued income		
⊥⊥ Deferred charges		
⊥⊥ Deferrals and accruals with consolidated EC entities		
⊥⊥ Short term receivables with consolidated EC entities		4 649.76
<b>Cash and cash equivalents</b>	<b>7 408 281.22</b>	<b>3 298 688.06</b>
<b>TOTAL CURRENT ASSETS</b>	<b>7 594 371.67</b>	<b>3 505 087.68</b>
<b>TOTAL</b>	<b>8 417 247.67</b>	<b>4 388 965.91</b>
<b>BALANCE SHEET - LIABILITIES</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
<b>A. CAPITAL</b>	<b>2 350 843.50</b>	<b>2 771 425.11</b>
Accumulated surplus/deficit	2 771 425.11	
Economic result of the year-profit+/loss-	-420 581.61	2 771 425.11
<b>C. NON CURRENT LIABILITIES</b>		
Employee benefits		
Provisions for risks and charges		
<b>Other Long term liabilities</b>		
⊥ Other Long term liabilities		
⊥ Other LT liabilities with consolidated EC entities		
⊥⊥ Prefinancing received from consolidated EC entities		
⊥⊥ Other LT liabilities from consolidated EC entities		
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>0.00</b>	<b>0.00</b>

BALANCE SHEET - LIABILITIES	31/12/2007	31/12/2006
<b>D. CURRENT LIABILITIES</b>		
Provisions for risks and charges	100 000.00	90 000.00
Accounts payable	5 966 404.17	1 527 540.80
└ Current payables	90 667.17	192 862.58
└ Long term liabilities falling due within the year		
└ Sundry payables		
└ Other	5 875 737.00	1 334 678.22
└└ Accrued charges	847 065.22	818 385.40
└└ Deferred income		
└└ Deferrals and accruals with consolidated EC entities		
└└ Accounts payable with consolidated EC entities	5 028 671.78	516 292.82
└└ Prefinancing received from consolidated EC entities	4 944 486.11	485 383.73
└└ Other accounts payable against consolidated EC entities	84 185.67	30 909.09
<b>TOTAL CURRENT LIABILITIES</b>	<b>6 066 404.17</b>	<b>1 617 540.80</b>
<b>TOTAL</b>	<b>8 417 247.67</b>	<b>4 388 965.91</b>



## Budget and revenue outturn

(provisional accounts)

BUDGET OUTTURN ACCOUNT	2007	2006
<b>REVENUE</b>		
Commission subsidy DG TREN	17 024 506.00	12 385 224.82
Other revenue	8 696.00	20 491.07
<b>TOTAL REVENUE (A)</b>	<b>17 033 202.00</b>	<b>12 405 715.89</b>
<b>EXPENDITURE</b>		
<b>Personnel expenses – Budget Title I</b>		
└ Payments	8 676 926.96	6 691 821.23
└ Automatic carry-overs	153 994.01	128 630.79
<b>Administrative expenses – Budget Title II</b>		
└ Payments	968 841.39	1 000 883.79
└ Automatic carry-overs	762 319.22	398 481.07
<b>Operational expenses – Budget Title III</b>		
└ Payments	920 219.73	1 547 020.86
└ Automatic carry-overs	1 778 750.00	2 152 922.44
<b>TOTAL EXPENDITURE (B)</b>	<b>13 261 051.31</b>	<b>11 919 760.18</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (A-B)</b>	<b>3 772 150.69</b>	<b>485 955.71</b>
Cancellation of unused carry-overs	+ 686 951.69	0.00
Exchange differences for the year	0.00	- 571.98
Balance carried over from year N-1	+ 485 383.73	
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>	<b>4 944 486.11</b>	<b>485 383.73</b>

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